

LAW OFFICE OF

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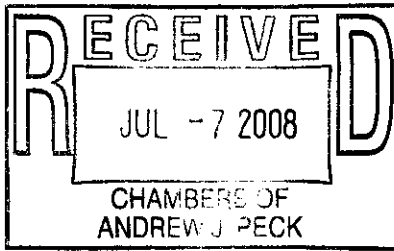
USDC SDNY

DOCUMENT

ELECTRONICALLY FILED

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DATE FILED: 7/7/08



MEMO ENDORSED 7/17/08

1. The Court has been advised by the
filing of that Jeffstar Inc. has filed a U.S. District
Court in Brooklyn, on proceedings
against Jeffstar as stayed.
July 7, 2008

VIA FACSIMILE: 212-805-7933

Hon. Andrew J. Peck, USMJ

United States District Court

Southern District of New York

United States Courthouse

500 Pearl Street, Room 1370

New York, N.Y. 10007-1312

2. Based on a default has already been
entered against Jeffstar Marine, default
and a judgment, judgment with the
relief requested by the default was
affirmed that judgment is a good default
order. Until then, the request is
under in effect.

Re: ACE American Insurance v. Jeffstar Marine Services Inc.
08 CIV. 4315(BSJ)(AJP)

BY FAX

SO ORDERED:

Hon. Andrew Jay Peck
United States Magistrate Judge

Honorable Sir:

Please be advised that the undersigned is counsel for Jeffstar Marines Services Inc. in the above mentioned matter. I am requesting an extension of time to appear and serve an answer on behalf of my client in this matter up to and including July 31, 2008 with the default being set aside and vacated. While I received a telephone call from my client on July 2, 2008, I was not retained until July 5, 2008. In addition, as of July 2, 2008 I had telephoned Mr. Barnett's office in an attempted to seek time to impose an answer on behalf of my client and again on July 7, 2008. To date I have not heard from Mr. Barnett or anyone else from his office concerning my request. When I first called Mr. Barnett's office I was informed that Mr. Barnett was out of the country but that somebody would get back to me.

Moreover I have been informed that Jeffstar Inc. has filed a Petition in Bankruptcy on or about April 15, 2008 evidenced by a copy of the petition annexed hereto and a letter from bankruptcy counsel David Carlebach, Esq. informing Plaintiff's Counsel of the automatic stay. (A copy of said letter is also annexed hereto). I note that the Court (Judge Jones and Magistrate Judge Peck) were sent the petition and letter by overnight mail via FedEx on July 3, 2008).

On July 5, 2008 I received a copy of Magistrate Judge Peck's Order permitting the Jeffstar entities time to appear no later than July 11, 2008. Consequently I believed I had until said date at least to impose an answer in this action.

I now have just received a second Order dated July 7, 2008 from Magistrate Judge Peck directing an inquest by the submission of papers.

To further complicate matters my father who is 85 was just admitted to Huntington Hospital on July 5, 2008 after wandering off from my parent's home (he suffers from Alzheimer's disease among other ailments), apparently fainting or falling and severely injuring himself in front of the Applebee's Restaurant in South Huntington which is requiring my attention not only for him but my mother who also is not well. Further, I will be out of the state from July 9, 2008 to July 17, 2008. Lastly my client is presently traveling out of state and will not be back till sometime at the end of the month.

I apologize for this tale of woe, but given that I am a solo practitioner, that my client thought he had nothing to do because of the bankruptcy stay, the aforementioned problems and in the interest of Justice and Judicial Economy it is respectfully requested that my client Jeffstar Marine Services Inc. be granted an extension of time to appear and answer the Complaint in this matter up to and including July 31, 2008 with the default being set aside and vacated.

Thank you for your attention and courtesy extended in this matter.

Very truly yours,



Daniel R. Olivieri
(DRO9969)

Cc. Hon Barbara S. Jones, USDJ 212-805-6191
Gregory G. Barnett, Esq. 212-286-0261
David Carlebach, Esq. 212-785-3041

LAW OFFICES OF DAVID CARLEBACH, ESQ.

**40 Exchange Place
New York, New York 10005
(212) 785-3041**

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July 3, 2008

**BY FACSIMILE TRANSMISSION
AND OVERNIGHT CARRIER
(212) 286-0261**

Gregory G. Barnett, Esq.
Cascy & Barnett, LLC
317 Madison Avenue, 21st Floor
New York, NY 10017

**Re: Jeffstar, Inc.
Chapter 11 Case No. 08-71854-ast
United States Bankruptcy Court, Eastern District of New York**

**ACE AMERICAN INSURANCE COMPANY a/s/o SIDNEY
FRIEDMAN vs. JEFFSTAR MARINE SERVICES and JEFFSTAR,
INC.
United States District Court, Southern District of New York
Case No. 08cv4315**

Entry of Default Judgment against Jeffstar, Inc.

Dear Mr. Barnett:

Please be advised that the above referenced debtor, Jeffstar, Inc. (the "Debtor"), has filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on April 15, 2008, with the United States Bankruptcy Court for the Eastern District of New York. A copy of the petition is enclosed herewith.

Accordingly, pursuant to Section 362(a) of the Bankruptcy Code the above referenced action as well as entry of a default judgment is automatically stayed. Section 362(a) of the Bankruptcy Code provides one of the fundamental protections afforded to a debtor in a bankruptcy case. Section 362(a) is applicable to all creditors and stays, inter alia, the following:

1. the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced against the debtor before the commencement of the . . .

Gregory G. Barnett, Esq.

- case, or to recover a claim against the debtor that arose before the commencement of the . . . case;
2. the enforcement, against the debtor or against property of the estate, of a judgement obtained before the commencement of the . . . case;
 3. any act to obtain possession of property of the estate, or of property from the estate or to exercise control over property of the estate; and
 4. any act to create, perfect, or enforce any lien against property of the estate.

See §362(a) of the Bankruptcy Code.

Accordingly, the above referenced action, as well as any entry of a default judgment, must immediately cease since its continued prosecution would constitute a violation of 362(a), set forth more fully above.

Any violation of the automatic stay may subject you and your client to sanctions and penalties pursuant to, inter alia, Section 362(h) of the Bankruptcy Code and Contempt of Court pursuant to Section 105(a) of the Bankruptcy Code.

Very truly yours,



David Carlebach

cc: Hon. Barbara S. Jones, United States District Judge - SDNY (via FedEx)
Hon. Andrew J. Peck, United States Magistrate Judge - SDNY (via FedEx)
Dan Olivieri, Esq. (via Facsimile)

B 1 (Official Form 1) (1/06)

United States Bankruptcy Court Eastern District of New York

Name of Debtor (if individual, enter Last, First, Middle): Jeffstar, Inc.		Name of Joint Debtor (Spouse) (Last, First, Middle):	
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):	
Last four digits of Soc. Sec. or Individual-Taxpayer ID. (ITIN) No./Complete EIN (if more than one, state all): 5098		Last four digits of Soc. Sec. or Individual-Taxpayer ID. (ITIN) No./Complete EIN (if more than one, state all):	
Street Address of Debtor (No. & Street, City, and State): 100 Jefferson Street Freeport, New York		Street Address of Joint Debtor (No. & Street, City, and State):	
ZIP CODE 11520		ZIP CODE	
County of Residence or of the Principal Place of Business: Nassau		County of Residence or of the Principal Place of Business:	
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):	
ZIP CODE		ZIP CODE	
Location of Principal Assets of Business Debtor (if different from street address above):			
ZIP CODE			
Type of Debtor (Form of Organization) (Check one box.)		Nature of Business (Check one box)	
<input type="checkbox"/> Individual (includes Joint Debtors) See Exhibit D on page 2 of this form. <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		<input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other	
		Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box)	
		<input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13	
		<input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding	
		Nature of Debts (Check one box)	
		<input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.	
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b) See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition <input type="checkbox"/> Acceptances of the plan were solicited proposition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).	
Summary/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.			
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000			
Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input checked="" type="checkbox"/> \$500,001 to \$1,000,000 <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion			
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion			

THIS SPACE IS FOR COURT USE ONLY

B 1 (Official Form 1) (1/08)

FORM B1, Page 2

Voluntary Petition - Amended (This page must be completed and filed in every case.)		Name of Debtor(s): Jeffstar, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed: NONE	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: NONE	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) <input type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B (To be completed if debtor is an individual - trust debts are primarily consumer debts) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that (he or she) may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b). <input checked="" type="checkbox"/> Not Applicable Signature of Attorney for Debtor(s) _____ Date _____	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding (in a federal or state court) in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.) _____ (Name of landlord that obtained judgment) _____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition. <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(f)).			

B 1 (Official Form 1) (1/06)

FORM B1, Page 3

Voluntary Petition - Amended <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): Jellbear, Inc.
Signatures	
<p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p><i>(If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7, I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.</i></p> <p><i>(If no attorney represents me and no bankruptcy petition preparer signs the petition) I have obtained and read the notice required by 11 U.S.C. § 342(b).</i></p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> Not Applicable Signature of Debtor</p> <p><input checked="" type="checkbox"/> Not Applicable Signature of Joint Debtor</p> <p>Telephone Number (If not represented by attorney)</p> <p>Date</p>	<p style="text-align: center;">Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of Title 11, United States Code. Certified Copies of the documents required by § 1515 of title 11 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the Chapter of title 11 specified in the petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p><input checked="" type="checkbox"/> Not Applicable Signature of Foreign Representative</p> <p>(Printed Name of Foreign Representative)</p> <p>Date</p>
<p style="text-align: center;">Signature of Attorney</p> <p><input checked="" type="checkbox"/> David Carlbach DC-7350 Signature of Attorney for Debtor(s)</p> <p>David Carlbach Bar No. DC-7350 Printed Name of Attorney for Debtor(s) / Bar No</p> <p>Law Offices of David Carlbach Firm Name</p> <p>40 Exchange Place, Suite 1306 New York, New York 10005 Address</p> <p>212-785-3043 212-785-3618 Telephone Number</p> <p>4/15/2008 Date</p> <p><i>(In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.)</i></p>	<p style="text-align: center;">Signature of Non-Attorney Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparer, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p><input checked="" type="checkbox"/> Not Applicable Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>Address</p>
<p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> u/ Signature of Authorized Individual</p> <p>(Printed Name of Authorized Individual)</p> <p>Title of Authorized Individual</p> <p>4/15/2008 Date</p>	<p><input checked="" type="checkbox"/> Not Applicable</p> <p>Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.</p> <p>Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.</p> <p>If more than one person prepared this document, attach to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</i></p>

FAX TRANSMITTAL SHEET



**ANDREW J. PECK
UNITED STATES MAGISTRATE JUDGE
UNITED STATES DISTRICT COURT**

Southern District of New York
United States Courthouse
500 Pearl Street, Room 1370
New York, N.Y. 10007-1312

Fax No.: (212) 805-7933
Telephone No.: (212) 805-0036

Dated: July 7, 2008

Total Number of Pages: 8

TO	FAX NUMBER
Gregory G. Barnett, Esq.	212-286-0261
Daniel R. Olivieri, Esq.	516-931-8101

TRANSCRIPTION:

MEMO ENDORSED 7/7/08

1. The Court having been advised for the first time that Jeffstar, Inc. has filed a Chapter 11 Petition in Bankruptcy, all proceedings against Jeffstar, Inc. are stayed.
2. Because a default has already been entered against Jeffstar Marine, defendant must make a prompt, formal motion to be relieved of the default including an affidavit that indicates a good defense to the motion. Until then, the inquest schedule remains in effect.
3. The Court suggests the parties discuss settlement!

Copy to: Judge Barbara S. Jones